

July 25, 2012

Ms. Kim Collins
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RE: MUR6605

Dear Counsel:

Let me introduce myself. I am Gary Latanich who was a candidate for the First District House seat in Arkansas. The name of my campaign committee was Gary Latanich for Congress. Our failure to list a debt claimed by Mr. Stanford was based on Mr. Stanford's failure to send an invoice to the campaign and his failure to respond to a letter sent to him by the campaign's newly acquired attorney, Mr. Glenn Lovett Jr. Please let me explain the chain of events that lead to our (apparently mistaken) decision. My initial campaign manager was Mr. Peter Grumbles and my initial treasurer was Ms. Amanda Boulden. Mr. Grumbles and Ms. Boulden quit the campaign on April 2, because the campaign did not have the funds to make the scheduled March 15 payment to them. Although they were supposed to do the first quarter filing with FEC on March 30, they failed to do so.

Mr. Grumbles had arranged that the campaign office, campaign e-mail account, Google phone account, and all other staff members were under contract to him as opposed to the campaign. Upon leaving the campaign he closed the office and altered the pass words on the campaign's mail account and phone account. This left us unable to see any FEC correspondence that might have been sent to us. I was left to find volunteer replacements and to find the relevant documents and file the quarterly report. This was accomplished on the last allowable day.

Our replacement treasurer, Mrs. Janet Lee located outstanding invoices and recorded them as debts against the campaign. Numerous requests were made (to my former staff) by Mrs. Lee for additional documents that were needed, such as campaign donation spreadsheets, invoices, receipts, and any other pertinent financial information or documents relevant to the campaign. Some additional information was provided but not all of her requests were honored. During this time period I did find a letter from Mr. Joon Kim and Mr. Jason Stanford regarding agreements they had with Mr. Grumbles. But, we did not find any invoices stating amounts that were owed. Upon leaving the campaign Mr. Grumbles instructed Ms. Boulden to write a \$2,000 to Mr. Grumbles firm, {set} Strategies, leaving the campaign with a balance of about \$750. They also had sent a post dated check to Stanford Research for \$7,500, with instructions to submit the

13044343930

check for payment after they had left the campaign, with full knowledge that the check would not clear. Again let me restate that there was never an invoice submitted by Mr. Kim or Mr. Stanford for services rendered.

After the primary ended, May 22, I retained Mr. Glenn Lovett Jr. as the campaign's legal counsel. We submitted letters on June 4 to Mr. Grumbles of {set} Strategies, Mr. Kim of {new} Partners, and Mr. Stanford of Stanford Research indicating that, in our opinion, the campaign did not owe any further funds to any of the three individuals. Mr. Grumbles filed suit against the campaign in Craighead County and sent the campaign an invoice for the amount he claimed was owed to him. But, Mr. Kim of {new} Partners and Mr. Stanford of Stanford Research did not respond to my attorney's letters. At the end of June our new treasurer filed the second quarter report. At that time we still had received no invoices from either firm nor have they responded to Mr. Lovett's letters. We knew that campaign debt had to be resolved directly or through negotiations. It was our assumption that since they never responded, with either a letter or an invoice, during the month of June, that they agreed with us. Thus we filed our financial report which contained no mention of outstanding debts to Mr. Kim or Mr. Stanford.

Subsequently Mr. Stanford filed a complaint (including an invoice and copy of a contract, of which we had neither) indicating that there were funds owed to him which were not listed in our FEC filings. As of this date Mr. Kim still has not responded in any fashion. With no invoices ever being sent to the campaign, and with no response to our letters, we feel our filings were done in good faith. Had Mr. Stanford sent an invoice or responded to Mr. Lovett's letter, he would have been listed as a creditor.

Given that Mr. Stanford now has now submitted an invoice, we will amend our report to include him as a creditor. We will list his claim at the amount he states, although it is our intention to challenge his claim and to work toward a negotiated agreement on the amount that should be paid. Since Mr. Kim has not responded to our letter nor filed an invoice we see no reason to insist he is a creditor when he has made no effort to show that he in fact is one. Letters are being sent to the compliance division explaining why we think that no further payments are due Mr. Grumbles, Mr. Stanford, and Mr. Kim.

Please let us know what we need to do and we will be happy to comply. My treasurer, Mrs. Janet Lee's phone number is _____ her e-mail address is _____, her mailing address is P.O. Box 25, State University, AR 72467.

Sincerely,

Gary Latanich

13044343931